June 29, 1998

The Honorable Carol M. Browner Administrator U.S. Environmental Protection Agency 401 M Street, NW, Rm. 1200 Waterside West Building Washington D.C. 20460

#### Dear Administrator Browner:

I am writing as the lead state governor for visibility issues which have and are being addressed by the Grand Canyon Visibility Transport Commission (Commission) and the Western Regional Air Partnership (WRAP). The Environmental Protection Agency's proposed regional haze rule continues to generate interest from western states and our constituents. For the past several weeks, we have been engaged in intense negotiations over the issue of how we believe your agency should address the Commission's recommendations. At the table have been representatives from states, industry, environmental groups, and federal land managers. Whereas this group has been united on the premise that EPA should approve the Commission recommendations, there has been much debate over words. Our negotiations have bridged the disagreements, and we are submitting the enclosed document for your consideration. It should be noted that tribes monitored the process and provided input. However, any endorsement of the document must come from individual tribes. Additionally, Western Governors' Association is not proposing that the recommendations of the Commission must be imposed on states outside the Transport Region. Endorsement of this document from states outside the Commission must come from those states.

The document focuses on three basic issues:

- It lays out the time frame for the development and implementation of the states' long range strategy for addressing regional haze on the Colorado Plateau,
- It defines the components that must be included in state or tribal implementation plans, and
- It creates a set of principles for EPA's involvement in western efforts to develop plans and implement the Commission's recommendations.

Western governors believe that the Commission's process should serve as a model for remedying visibility in Class I Areas in the West. It is the governors' intention to make the process available, under the restrictions

in this document, to resolve visibility in other Class I Areas in the West. It is only through this regional approach that the interstate issues inherent in visibility can be addressed.

We ask that in using the document you respect the carefully balanced compromise it represents. Selective use of portions of the document could easily undermine the significant "give and take" involved in reaching our final draft. These comments supersede prior comments submitted by WGA to the extent those prior comments pertain to how the regional haze rule should be revised

to address recommendations of the Commission and prospective EPA relations with the WRAP.

We also request that you reopen the public comment period on the regional haze rule for thirty days for the purpose of seeking comment on the issue of approving the Grand Canyon Visibility Transport Commission recommendations, specifically requesting comments on the ideas in our proposal. Although our proposal was developed with broad input, and has the concurrence of many interests, providing the opportunity for additional comment on this document would strengthen the public policy development process.

Finally, we have proposed an aggressive path for implementing these recommendations. The success of this effort will be dependent largely on the financial support we receive from your agency.

Thank you for considering our comments and for your willingness to engage the West on this issue.

Sincerely,

Michael O. Leavitt Governor State of Utah

Enclosure

cc: John Seitz

# PROPOSED CHANGES TO THE REGIONAL HAZE RULE TO FACILITATE IMPLEMENTATION OF THE GRAND CANYON VISIBILITY TRANSPORT COMMISSION RECOMMENDATIONS

#### June 25, 1998

#### **BACKGROUND AND PRINCIPLES**

- On July 31, 1997, the United States Environmental Protection Agency published a proposed rule to address regional haze visibility impairment in national parks and wilderness areas across the country.
- EPA's regional haze proposal described the agreements and recommendations set out in the June 1996 Report of the Grand Canyon Visibility Transport Commission (Commission). EPA expressly requested public comment on the manner it proposed to address the Commission's agreements and recommendations, as well as alternative suggestions for addressing the agreements and recommendations.
- The Commission's agreements and recommendations are based on a body of technical and policy analysis that examined emission management programs and options and the relevant factors in determining reasonable progress toward remedying existing and preventing future regional haze visibility impairment in the 16 Class I areas on the Colorado Plateau, and reflect ground-breaking consensus among a broad cross-section of interests in the western United States.
- The Commission's agreements and recommendations are designed to protect the spectacular vistas in the 16 Class I areas on the Colorado Plateau, while employing new innovative, cost-effective emission reduction strategies to supplement existing programs. Improving and maintaining the visual air quality of these scenic vistas is important to the quality of life in the western United States, and to the quality of the environment experienced by the visitors to these special areas.
- Based on the analysis and deliberations, the Commission stated it believed that reasonable progress toward the national goal is achieved to the extent that current Clean Air Act requirements, existing laws and regulations, and the Commission's recommendations result in a significant near-term decrease in emissions that contribute to visibility impairment and ensure long-term protection of visibility. The Commission noted as an example that by 2000-2010, pollutants from stationary and mobile sources are expected to be reduced by 30 percent from the 1990 levels (sulfur dioxide for stationary sources, nitrogen oxides and volatile organic compounds for mobile sources).
- The Commission's agreements and recommendations provide that all sources of visibility impairment, including area sources, mobile sources, and stationary sources, should bear responsibility for improving and protecting visual air quality in the 16 Class I areas on the Colorado Plateau. While the Commission strategy relies on existing programs, specific

recommendations for analyses and new programs for all source sectors are contained in the Commission's agreements and recommendations.

Implementation of the existing Clean Air Act requirements is expected to result in a significant decrease in sulfur dioxide emissions and their contribution to light extinction in the short term (1990-2000). Some of these reductions will be the result of the installation of control equipment currently under construction. In addition to these known reductions, the rate of emissions decline may be influenced by ongoing source attribution studies and "best available retrofit technology" in the Transport Region. These pending matters may also affect the amount and rate of emission reductions that will occur after the year 2000. The Commission's report encourages states and tribes to review the visibility impacts at the class I sites on the Colorado Plateau of uncontrolled pollution sources and make expeditious determination regarding the need for additional pollution controls pursuant to the Clean Air Act requirements. To the extent decisions are made to require additional emission reductions at existing facilities, the Commission supports the adoption of the best, most cost-effective strategies consistent with the Clean Air Act's statutory provisions under Section 169A.

The EPA proposed approaches for addressing the BART requirement in the proposed regional haze rule. Comments from the regulatory, industry, and environmental communities have already been filed on this issue. This is one of the most controversial issues in debate at this time. Simply put, the stakeholders in the region can not agree on how, or whether, the Clean Air Act provisions for BART should be implemented in EPA's final regional haze rule to address regional haze visibility impairment at the 16 Class I areas on the Colorado Plateau. There is agreement that the BART program under existing regulations remains an appropriate tool.

It must be recognized that all levels of government bear responsibility for protecting air quality in the 16 Class I areas on the Colorado Plateau and, in particular, the federal government must do its part in regulating emissions from mobile sources that contribute to regional haze in these areas, and in working with other federal agencies to address fire, and with other countries to address trans-boundary emissions.

Implementation of the Commission's agreements and recommendations will require the work of a regional entity similar to the Commission. The Western Regional Air Partnership (WRAP) has been formed to follow through on the Commission's agreements and recommendations. This entity represents a continuing experiment in regional policy development through a cooperative partnership among state, tribal and federal government entities. A purpose of the regional entity is to assist the states and tribes through the development of technical analysis, policy analysis, and strategies which may be necessary: 1) for the states and tribes to meet their individual implementation plan obligations, and 2) for other purposes such as those

affecting the emission management commitments of the federal land managers to the states. By collaborating on the development of technical and policy work, the states and tribes in the WRAP will experience much higher quality products at much lower costs than would be realized if they worked separately.

It must be recognized that WRAP includes not only states that are in the Commission's Transport Region, but also includes states that were not in the Transport Region, and still others have been invited to join. Although states outside the Transport Region are not responsible for implementing the Commission's recommendations for meeting the visibility goals of the 16 Class I areas on the Colorado Plateau, they have chosen to participate in WRAP to take advantage of the efficiencies and cost savings associated with the regional approach to develop plans to meet the visibility goals for the class I areas located in their states.

EPA's final regional haze rule should be revised to require state implementation of the Commission's agreements and recommendations in a manner and timetable consistent with the Commission's Report. The final regional haze rule should allow tribes which wish to assume responsibility for their long-term strategies for regional haze to do so without impediment. For the purpose of the following, the term "state" refers to states and any eligible tribe wishing to develop a tribal implementation plan as discussed in II.K below.

Considering the foregoing, it is recommended that EPA's final regional haze regulations be revised to provide for implementation of the Commission's agreements and recommendations by states and tribes in the Transport Region as follows. All of the recommendations below are for inclusion as revisions to the regulatory text of the regional haze rule, unless specifically noted otherwise by use of the phrase "explain in the preamble."

#### I. Regional Haze Rule Elements

Promulgate regulations to provisionally assure reasonable progress for the years 2003-2018 in addressing regional haze visibility impairment for the 16 class I areas that were the subject of the Commission's analysis and recommendations that establish the long-term strategy implementation plan requirements for the Commission states for the years 2003-2018. Explain in the preamble that the Commission recommended emission reduction targets from stationary sources of SO<sub>2</sub> for the years 2000 and 2040 but did not recommend quantitative interim targets for the years 2003-2018. Explain in the preamble that to assure reasonable progress EPA needs to promulgate additional regulations that define the quantitative interim emission reduction milestones for stationary sources of sulfur dioxide for the period 2003 to 2018 and the necessary enforceable regulatory backstop program, but that before promulgating such regulations the Administrator requests the further recommendations of the Commission related to these issues. Therefore,

provide in the regulations that EPA calls for the Commission to submit to EPA, by October 1, 2000, an Annex to the Commission's Report that recommends, for stationary sources of SO<sub>2</sub>, region-wide quantitative emission reduction milestones for the long-term strategy period from 2003-2018 along with the Commission's recommendations addressing how these emission reductions should be implemented pursuant to part II.C.1 below. Provide in the regulations that the Administrator will publish the Annex upon receipt, and within 12 months promulgate additional regulations to assure reasonable progress taking into account the recommendations of the Commission as provided in the Annex.

Require the states in the Transport Region to submit a long-term strategy by the year 2003 that provides for implementation of state planning requirements promulgated to assure reasonable progress in addressing regional haze visibility impairment at the 16 Class I areas for the years 2003-2018, in accordance with part II below. Explain in the preamble that part II below is consistent with and derived from the agreements and recommendations set forth in the June 1996 Grand Canyon Visibility Transport Commission Report.

Explain in the preamble that the result is that upon promulgation of EPA regulations to assure reasonable progress that address the proviso or condition regarding the rate of stationary source SO<sub>2</sub> reductions for the years 2003-2018, the affected states would not need to make a demonstration of reasonable progress for the affected 16 class I areas in their individual implementation plan revisions but would have to provide for adoption and implementation of the regulations based on the Commission's agreements and recommendations. Explain in the preamble that in reviewing the adequacy of the affected implementation plans, EPA would determine whether the states within the Transport Region have provided for implementation of these regulations.

Explain in the preamble that states and tribes may elect not to implement the recommendations of the Commission to demonstrate reasonable progress for the 16 Class I areas. States and tribes electing to substitute components other than those in the rules implementing the Commission recommendations in their long-term strategy, or relying on a totally different approach, would be required to demonstrate that their long-term strategy makes reasonable progress toward the national goal for the 16 Class I areas as provided in EPA's final regional haze rule. Explain in the preamble that states and tribes which are planning to develop alternate long-term strategy components should advise the other states in the Transport Region of the nature of the program and the effect on emissions, so they can take this into consideration while developing their own programs.

Except as provided for in this document, all other aspects of EPA's final regional haze rule would apply to the states and tribes in the Transport Region for the affected 16 Class I areas. Further, EPA's existing visibility regulations, including the requirement to adopt BART to remedy visibility

impairment in a Class I area that is reasonably attributable to an existing stationary facility or small group of facilities, will continue to apply to protect visibility in affected Class I areas.

#### A. Preamble Rationale for Regulations Provisionally Assuring Reasonable Progress

Base the promulgation of regulations that provisionally assure reasonable progress on the merits of the Commission's analysis, and EPA's consideration of the public comments on the regional haze rule. Explain that the Commission produced a body of technical and policy analysis that examined emission management programs and options and the necessary statutory factors for determining reasonable progress.

#### B. Time-Limited Determination

Determine that the promulgated regulations provisionally assure reasonable progress in addressing regional haze visibility impairment in the 16 Class I areas only for the long-term strategy submitted by 2003 for the years 2003-2018. Specify that regional haze implementation plan revisions for later planning periods will require a new or updated demonstration that reasonable progress will be achieved. At the same time, explain in the preamble that the demonstration for the next long-term strategy planning period could rely in part on the emission control strategies recommended for implementation beyond 2018 to the extent such strategies are relevant and appropriate for consideration in determining reasonable progress (e.g., strategies that provide the continuity necessary to promote the effectiveness, efficient performance, and full potential, of a market trading program that is designed to make progress toward the national visibility goal).

#### C. Additional Mandatory Class I Federal Areas

For additional Class I areas beyond the Commission's Class I areas, allow long-term strategies which implement the regulations derived from the Commission's agreements and recommendations, supplemented as necessary, to be determined to make reasonable progress based on supporting analysis and consideration of the statutory factors for determining reasonable progress. These determinations would be based on the merits of the analysis and justifications submitted with the implementation plan. Implementation plan revisions must demonstrate that reasonable progress for a particular Class I area is achieved.

Explain in the preamble that for states implementing the agreements and recommendations of the Commission, demonstrations that reasonable progress for a particular Class I area is achieved could include reliance on the Commission's emissions management strategies to the extent these are relevant to the visibility conditions in other Class I areas in the state,

explain that the demonstrations would need to include appropriate modeling and analyses, and must satisfy other applicable requirements. Also explain in the preamble that states and tribes relying on the Commission agreements and recommendation to demonstrate reasonable progress for a particular Class I area may need to implement additional measures, such as state and local emission strategies, which must be incorporated into the state or tribal long-term strategy.

Provide that the Commission may elect, at the same time it submits the Annex defined in II.C.1, to make recommendations intended to demonstrate reasonable progress for other mandatory Class I Federal areas (beyond the original 16) within the Commission states. If so, the Commission shall provide the technical and policy justification for these additional mandatory Class I federal areas. Explain in the preamble that other Class I areas in the Commission's Transport Region may experience collateral benefits from the long-term strategies, and that the states and tribes may elect to review this together and provide input to the EPA on this matter, instead of individually as provided for above.

Provide that implementation plans submitted in 2003 by states and tribes in the Transport Region, which implement the rules related to the Commission's agreements and recommendations in their long-term strategy, may be the basis for demonstrating reasonable progress for the other Class I areas in their jurisdiction, provided that the implementation plans submitted in 2003:

Include a modeling demonstration of expected visibility conditions at all Class I areas in their jurisdiction, which may be based on refined technical studies planned by the WRAP,

Identify those Class I areas where reasonable progress may not be achieved and establish a schedule and process for more detailed review and development of additional measures which may be needed to demonstrate reasonable progress, Submit updates to the 2003 plan in 2008 to implement any additional measures necessary to demonstrate reasonable progress.

Explain in the preamble that it is important for the states and tribes in the Transport Region to focus on development and implementation of the long-term strategies based on the Commission agreements and recommendations. Although long-term strategies for other Class I areas (i.e., outside the Commission's 16 Class I areas) may not be due in 2003, by allowing the states to focus on these Class I areas as soon as the long-term strategy based on the Commission agreements and recommendations has been developed (by performing an initial modeling analysis, identifying potential areas for improvement, and developing a plan for reviewing same), the Administrator believes that visibility conditions at these other class I areas will begin to improve sooner. In addition, this will

provide for reduced technical and administrative costs, by allowing the states and tribes to first focus on a program for the 16 Class I areas, which is mandatory and the first priority, and examining the effects of this program on the other Class I areas to develop adjustments to the first program instead of developing two programs in parallel.

# D. <u>Explain Benefits for States and Tribes that Implement the Commission's Agreements and Recommendations</u>

Explain in the preamble that the benefits for states and tribes implementing the Commission's agreements and recommendations include, but are not limited to, the following:

- -- Initiatives Developed by States and Tribes. The Commission's agreements and recommendations were developed by states and tribes in the Transport Region.
- Implementation Plan Streamlining. Because the planning elements are defined in EPA's final regional haze rule, states and tribes implementing these agreements and recommendations will have less administrative burden in adopting implementation strategies and in the review of those strategies by EPA. EPA will use "batching" procedures to review implementation plans in appropriate circumstances, reviewing several implementation plan revisions in a single rulemaking proceeding both to promote streamlined review and foster coordinated review of plan revisions addressing interstate visibility impairment.
- Demonstration Required by Non-Participating States and Tribes. Conversely, those states and tribes not implementing the Commission's agreements and recommendations specified in the final regional haze rule and instead submitting divergent plans would be required to demonstrate that their control measures make reasonable progress in remedying and preventing regional haze visibility impairment in the 16 class I areas on the Colorado Plateau for the long-term strategy planning period from 2003-2018, including developing adequate technical and policy analysis to support such a demonstration. Explain that EPA will identify such air quality planning inconsistencies for comment by the WRAP and the public, as provided for in part III below.
- -- Cost-Effective Control Strategies and Compliance Flexibility for Affected Sources. The Commission's agreements and recommendations incorporate cost-effective control strategies and compliance flexibility for affected sources. For example, the emissions reduction targets coupled with an enforceable backstop cap-and-trade program for stationary sources of SO<sub>2</sub> and the interstate coordination in

implementing this and other control strategies are expected to provide substantial cost savings over traditional control strategies. In addition, it provides incentives for early reduction of emissions on a voluntary basis to allow the emission reductions to be realized without implementing the backstop cap-and-trade program. Sources in states implementing the Commission's agreements and recommendations would be included in these programs whereas sources in states that do not would not be eligible for participation.

# II. Incorporation of Commission's Agreements and Recommendations in EPA's Regional Haze Rule as Implementation Plan Elements for States and Tribes in the Transport Region

Require states in the Transport Region to submit long-term strategies for the 16 Class I areas on the Colorado Plateau by the year 2003. If the state elects to implement the rules (as defined below) derived from the Commission agreements and recommendations fully, then no additional demonstration that the long-term strategy meets reasonable progress will be required. As noted above, if the state elects not to implement these components, the state will be required to provide a demonstration that its long-term strategy makes reasonable progress.

Require that long-term strategies submitted by the year 2003 to implement the Commission's agreements and recommendations, provide for the following:

#### A. <u>Projection of Visibility Improvement</u>

Require that the implementation plans from the states in the Transport Region include a projection of the visibility conditions at the affected 16 Class I areas expected from the implementation of the long-term strategies from the period 2003 to 2018. In the preamble, note that the states and tribes can rely on regional scale analysis work of the WRAP to satisfy this requirement if the WRAP analysis includes the emissions projections expected from the long-term strategy in the implementation plan.

#### B. Treatment of Clean Air Corridors

Require implementation plans to implement comprehensive emissions tracking strategies for clean air corridors within the state to ensure that the frequency of clear days increases or does not decrease at any of the 16 Class I areas including:

-- within areas that are sources of clear air, identifying patterns of growth or specific sites of growth that cause significant emissions increases having a negative impact

on visibility at one or more of the affected Class I areas;

- -- in areas outside of clean air corridors, identifying significant emissions growth that begins to impair the quality of air in the corridor and thereby reduce the frequency of clean air days at one or more of the affected Class I areas;
- -- determining whether other sources of clear air exist for the affected Class I areas and implementing necessary measures to protect against future degradation of air quality in these areas; and
- -- determining whether any of the conditions identified above is occurring, and, if so, providing for an analysis of the effects of increased emissions and the implementation of additional measures to protect clean air days, if necessary.

NOTE: Explain the preamble the Commission found there is no present need for special targeted policies or regulatory programs to control emission growth within the clean air corridors beyond existing laws and programs, and that clean air corridors will be covered by other regional initiatives contained in the Commissions recommendations. Explain in the preamble that because uncertainties in data and forward projections exist, a regional tracking and accounting system is needed to make sure that the frequency of the clear days increases or does not decrease at Class I sites and that the Commission's present assumptions regarding population and economic growth and the resulting effects on increased emissions prove reliable. Explain in the preamble that the Commission's report states that the purpose of the clean air corridors provisions is to require additional data collection and analysis, and if necessary to develop strategies to manage emissions growth, so as to ensure that sources of clear air for all Class I sites on the Colorado Plateau are protected and to prevent perceptible degradation of clean air days. Also note in the preamble that the states and tribes may wish to rely on the WRAP technical forums for the consolidation of emission inventories and projections needed to monitor this issue.

# C. <u>Stationary Sources</u>

1. Establishment of Sulfur Dioxide Quantitative Emission Reduction Milestones

Specify that the regulations promulgated by EPA will assure reasonable progress in addressing regional haze visibility impairment for the 16 Class I areas that were the subject of the Commission's analysis and recommendations for the long-term strategy planning

> period of 2003-2018 provided that EPA also promulgates regulations defining the quantitative SO<sub>2</sub> emission reductions from stationary sources during the planning period and the backstop regulatory program, that are necessary to assure reasonable progress. Explain in the preamble that EPA will consider the recommendations of the Commission in promulgating these regulations. Specify in the final regional haze rule that EPA therefore calls for the Commission to submit to EPA, by October 1, 2000, an Annex to the June 1996 Commission Report that recommends quantitative emission reduction milestones for stationary source SO<sub>2</sub> emissions for the long-term strategy implementation plan required for the planning period from 2003-2018, along with final documentation of the backstop market trading program or other programs to be implemented if current programs and voluntary measures are not sufficient to comply with the regional emission reduction targets. This documentation must include model rules, MOU's, and other documentation describing in detail how emission reduction progress will be monitored, what conditions will require the program to be activated, how allocations will be performed, and how the program will operate. Provide that in developing recommendations for the emission reduction milestones, the Commission will consider its definition of reasonable progress, the 50-70 percent reduction in SO<sub>2</sub> emissions from 1990 actual emission levels by 2040 as projected by the Baseline Forecast Scenario, applicable requirements under the Clean Air Act, and the timing of implementation plan assessments of progress and identification of deficiencies which will be due in the years 2008, 2013, and 2018 (see Part II.I below). Provide in the regulations that the Administrator will publish the Annex upon receipt, and within 12 months promulgate additional regulations to assure reasonable progress taking into account the recommendations of the Commission as provided in the Annex.

> Explain in the Preamble that: (a) the Administrator has established this timeframe for the development of the Annex in order for the Commission, in its evaluation of the quantitative emission reduction milestones and its development of an enforceable backstop market trading program, to be informed by an update of the Baseline Forecast Scenario and public comment on its proposed milestones as well as its proposed model rule for implementing the enforceable backstop program if the targets are exceeded. Due to the fact some stationary source categories needed additional analysis the Commission recommended a range of SO<sub>2</sub> stationary source emission reductions by 2040 of 50-70 percent, and at the same time provided for an updated assessment in the year 2000 that locks in the 50-70 percent emissions reduction target for year 2040 from 1990 actual levels projected by the Baseline Forecast Scenario, as defined in the Commission's report; (b) the Administrator will review the Annex and promulgate regulations to assure reasonable progress within 12 months after the Annex is submitted to provide planning requirements for the states and tribes for final implementation plan development; (c) it is anticipated that the WRAP will be the vehicle the Commission elects to use to perform the development of these materials, but that the states and tribes would be responsible for

implementation of the rule; (d) EPA will participate in the Commission's deliberations consistent with the principles set out in part III regarding EPA's participation in the WRAP process; and (e) the Annex may include recommendations for inclusion of other source categories and pollutant species into the backstop program at the time the Annex is submitted, or in the future as information becomes available.

#### 2. Implementation of Stationary Source Reductions

#### Implementation plans must include:

- Provisions for monitoring and reporting of emissions within the state to assess compliance with the stationary source emission reduction milestones of 13 percent in the year 2000 (over 1990 actual emission levels), and the quantitative milestones established for the 2003-2018 planning period as provided for in II.C.1, criteria and procedures to activate the backstop program when an applicable milestone is exceeded, procedures for operation of the program, and implementation plan assessments every 5 years.
- -- Provisions to fully activate the program within 12 months of the time the emissions for the region are determined to exceed the applicable emission reduction milestone, and assure that all affected sources are in compliance with allocation and other requirements within five years from the time the emissions for the region are determined to exceed the applicable emission reduction milestone.
- -- Provisions that when the emissions for the region are below the emission reduction milestones, the state will report on actual emissions reductions and commitments and demonstrate that the regional emissions are below the emission reduction milestone.
- -- Provisions that after the backstop program has been activated, the state will report on actual emissions, and demonstrate that all sources are in compliance with applicable requirements.
- Report on the exploration of various emissions management options for stationary source NOx and PM, including considering the establishment of emission targets, in order to avoid any net increase in the pollutants from stationary sources within the region as a whole and to provide a foundation for future incorporation into a multi-pollutant and possibly multi-source market-based program. Based on these investigations, include emission management strategy components into the long-term strategy, if needed.

NOTE: Explain in the preamble that a state may address its contribution to regional stationary source emission reductions, and other regional strategies, as provided in part II.J. below. It is contemplated that the WRAP would prepare a comprehensive region-wide report on emissions that the states and tribes could utilize to satisfy their reporting requirements.

#### D. <u>Mobile Sources</u>

Implementation plans must provide for:

- -- a statewide inventory and projection of VOC, NOx, elemental and organic carbon, and fine particle mobile source emissions;
- -- a determination of whether mobile source emissions in any areas of the state contribute significantly to visibility impairment in the class I areas of the Colorado Plateau, based on the statewide inventory and projection of mobile source emissions required above;
- -- for states with areas of mobile source emissions that are found to contribute significantly to visibility impairment in the Class I areas of the Colorado Plateau:
  - (i) documentation of the state's mobile source emissions budgets for any such area in order to cap VOC, NOx, elemental and organic carbon, and/or fine particle mobile source emissions at their projected lowest levels, implementation of measures to achieve the budget or cap, and a demonstration of compliance with any such budgets;
  - (ii) an emission tracking system to evaluate and to demonstrate in the periodic implementation plan assessments required under part II.I. the state is meeting its contribution to the regional mobile source emissions cap;
- -- interim reports to EPA and the public in years 2003, 2008, 2013, and 2018 on the implementation status of the regional and local strategies recommended by the Commission to address mobile source emissions.

NOTE: Explain in the preamble that the Commission's report found that reducing total mobile source emissions is an essential part of any long-term emissions management program to protect visibility in the western United States generally and on the Colorado Plateau specifically. Explain in the preamble that the report states: The objective of the

mobile source strategies is to reduce emissions of VOC, NOx, elemental and organic carbon, and fine particulates from the mobile source sector and then hold them constant. To the extent that mobile source emissions contribute significantly to visibility impairment in the class I areas of the Colorado Plateau, an emissions budget should be established for any area with a significant contribution, beginning in the approximate year in which emissions are projected to reach a minimum, or 2005. The emissions budget should serve as a regional planning objective and performance indicator.

NOTE: The Commission's Report identified several national mobile source-related emission reduction strategies under consideration by EPA that are important to visibility conditions in the Class I areas on the Colorado Plateau. The Commission agreed to promote these initiatives on a national level. In accordance with this recommendation, EPA is requested to make a binding commitment in its final regional haze rule to fully consider the Commission's recommendations related to the following national mobile source emissions control strategies:

- -- Adoption of the 49-state LEV standard in 2001 and Tier II vehicle emission standards in year 2004 (if determined to be more effective);
- -- Support of EPA's current proposal for new on-road, heavy-duty vehicles emission standards that reduce NOx and particulate emissions by at least 50 percent over the 1998 requirements in the Clean Air Act, while maintaining current stringent PM emission limits:
- -- Pursue additional PM reductions from on-road vehicles;
- -- Pursue additional engine emission standards for new off-road vehicles (heavy-duty, construction-type) that provide reasonably achievable reductions;
- -- Explore broader application of and additional reductions in the sulfur content of both gasoline and diesel fuel;
- -- Promotion of cleaner-burning fuels;
- -- Pursue fuel standards and control strategies for diesel locomotives, marine vessels/pleasure craft, airplanes, and federal vehicles as described in the Commission's Report; and
- Support requirements for effective refueling vapor recovery systems that capture evaporative emissions.

#### E. Fire

Implementation plans must provide for:

-- adoption of a definition of the term "fire" for the purposes of these provisions that

includes "wildfire, wildland fire, prescribed fire,prescribed natural fire, and agricultural burning conducted and occurring on federal, state, and private wildlands and farmlands:"

- -- documentation that all federal, state, and private prescribed fire programs within the state incorporate the visibility effects of smoke in planning and application;
- a statewide inventory and emissions tracking system (spatial and temporal) of VOC, NOx, elemental and organic carbon, and fine particle emissions from prescribed fires, prescribed natural fires, wildland fires, wildfires, and agricultural burning, which information may be based on regional data-gathering and tracking initiatives:
- enhanced smoke management programs for fire that consider visibility effects, not only health and nuisance objectives, and that are based on the criteria of efficiency, economics, law, emission reduction opportunities, land management objectives, and the reduction of visibility impacts;
- -- documentation that all federal, state, and private prescribed fire programs do not have non-statutory administrative barriers to implementation of alternatives to burning and that the use of alternatives to burning are considered; and
- -- establishment of annual emission goals for fire, excluding wildfire, that will minimize emission increases to the maximum extent feasible and that are established cooperatively by states, tribes, state and federal land management agencies, and their private sector counterparts considering similar factors as the enhanced smoke management program.

### F. <u>Area Sources of Dust Emissions from Paved and Unpaved Roads</u>

Implementation plans must assess the impact of dust emissions from paved and unpaved roads on visibility conditions in the affected class I areas and, if determined to be a significant contributor, implement emissions management strategies to address such impact.

#### G. Pollution Prevention

Implementation plans must provide for:

with the 2003 implementation plan, an initial summary of all pollution prevention programs in place, and an inventory of all renewable energy generation capacity

and production in use or planned as of 2002 expressed in megawatts and megawatt-hours as well as the total generation capacity and production for the state and the percent of state total that is renewable energy, and the state's anticipated contribution toward the Commission's renewable energy goals of 10 percent by 2005, and 20 percent by 2015;

- -- programs to provide incentives that reward efforts that go beyond compliance and/or achieve early compliance with air-pollution related requirements;
- -- programs to preserve and expand energy conservation efforts;
- -- identification of specific areas where renewable energy has the potential to supply power where it is now lacking and where renewables are most cost-effective;
- -- projections of the short- and long-term emissions reductions, visibility improvements, cost savings, and secondary benefits associated with the renewable energy goals, energy efficiency and pollution prevention activities;
- A planning assessment describing the programs being relied on to achieve the state's contribution toward the Commission's goal that renewable energy will comprise 10 percent of the regional power needs by 2005 and 20 percent by 2015, and a demonstration of the progress toward or achievement of the renewable energy goals in the years 2003, 2008, 2013, and 2018, including documentation describing the potential for renewable energy resources, the percentage of renewable energy associated with new power generation projects implemented or planned, and the renewable energy generation capacity and production in use and planned in the state. To the extent that it is not feasible for a state to meet its contribution to the regional renewable energy goals the state must, in the planning assessments, identify the measures implemented to achieve its contribution and must explain why meeting the state's contribution was not feasible.

NOTE: Explain in the preamble that the Commission's Report provided that the Commission promotes the transition to power production based on emerging renewable energy technologies such as wind, solar, biomass, and geothermal and supports the establishment and tracking of annual goals for increases in renewable power generation in the Transport Region that fosters the sustained, orderly development of renewables in the region. Explain in the preamble that the Commission identified several strategies which the states should rely on to help achieve this regional renewable energy goal, including, but not limited to, focusing research funding for renewables, financial/investment incentives, and requiring new power generation projects to include a portion of the generation from renewable energy sources. Explain in the preamble that it is anticipated that part of the

future work of the WRAP will be to identify potentials for renewable energy development in the region and to develop strategies that the states and tribes can rely on in establishing plans to achieve the regional renewable energy goals identified by the Commission (i.e. 10 percent by 2005 and 20 percent by 2015).

## H. <u>Implementation of Additional Recommendations</u>

Implementation plans must provide for implementation of all other recommendations of the Grand Canyon Visibility Transport Commission that can be practicably included as enforceable emission limits, schedules of compliance, or other enforceable measures (including economic incentives) to make reasonable progress toward remedying existing and preventing future regional haze in the 16 Class I areas on the Colorado Plateau. Additionally, states must report to EPA and the public in the years 2003, 2008, 2013, and 2018 on the progress made toward developing and implementing the policy or strategy options recommended in the Commission's Report (please see Report p. i for explanation of "policy or strategy options"). Note in the preamble that the Commission recommendations related to trans-boundary emissions noted that emissions from Mexico may be a significant contributor to visibility impairment. The EPA should note in the preamble the steps which have been taken to address the Commission recommendations, and the future steps the EPA is planning to deal with trans-boundary emissions.

### I. Periodic Implementation Plan Revisions

Require implementation plans to provide for interim planning assessments in years 2008, 2013 and 2018 that evaluate the state's progress in implementing the measures required in this part. Require the interim planning assessments to be submitted to EPA in the form of implementation plan revisions that comply with applicable Clean Air Act procedures. At the same time, explain in the preamble that when a state concludes, on the basis of its interim planning assessment, that no planning adjustments are necessary the state may submit a "negative declaration" implementation plan revision that contains the basis for the state's determination but does not adopt additional rules. Explain in the preamble that while the state is ultimately responsible for its periodic implementation plan revision, it may rely on regional analysis and any other appropriate information in its interim planning assessments. Provide that when a state concludes, on the basis of its interim planning assessment, that corrective action or other appropriate planning adjustments are necessary, the state shall have one year from the deadline for the interim assessment to adopt and submit an appropriate implementation plan revision to EPA.

#### J. <u>State Planning and Interstate Coordination</u>

Clearly specify that references in this part to a state's duty to address its contribution to

the regional emissions control strategy do not in any manner preclude a state from relying on strategies, that are implemented in coordination with other states through regional planning processes. Examples of these strategies include economic incentive programs and trans-boundary emissions trading programs. However, where strategies are based on coordinated implementation with other states, require states to document the technical and policy basis for the individual state apportionment, the contribution addressed by the state's plan, how it coordinates with other state plans, and compliance with any other appropriate implementation plan approvability criteria. States may rely on the relevant technical, policy and other analyses developed by the regional entity (i.e., the WRAP) in providing such documentation. Conversely, states may elect to develop their own programs without relying on work products from a regional entity.

### K. <u>Tribal Implementation Plans</u>

Provide in the final regional haze regulations that under EPA's final Tribal authority rule, tribes within the Transport Region that meet the applicable eligibility criteria may implement visibility programs, or reasonably severable elements, in the same manner as states, regardless of whether such tribes have participated as members of a visibility transport commission. Explain in the preamble that a tribe's authority to implement a visibility program is not dependent on the strategy selected by the state or states in which the tribe is located. Further, explain in the preamble that when tribes within the Transport Region decline to implement visibility programs but emission management strategies are necessary to assure reasonable progress in addressing regional haze visibility impairment for the 16 Class I areas on the Colorado Plateau, EPA will work with tribes on a government-to-government basis to provide for federal implementation of appropriate emissions reduction strategies.

#### III. Western Regional Air Partnership: Statement of Principles for EPA's Involvement

Explain in preamble that the western states and tribes have formed an organization, called the Western Regional Air Partnership ("WRAP"), that is following through on the implementation of the Commission's agreements and recommendations, and that is providing a forum to coordinate state and tribal implementation of the Commission's agreements and recommendations. Explain that the Western Governors' Association ("WGA") and states involved in the process have raised concerns about how to encourage states to participate in the WRAP including the nature of EPA's role in the WRAP process. In particular, the WGA and participating states believe that methods and procedures must be developed to increase confidence that consensus-based agreements by the WRAP are likely to gain approval by EPA upon incorporation into individual Implementation

plans, consistent with EPA's independent oversight and review role for implementation plans. Explain in the preamble EPA's commitment to work expeditiously with the WRAP and its stakeholders to develop a Memorandum of Agreement between the Administrator and the WRAP regarding EPA's role in the WRAP process that is consistent with the following key principles:

- -- Early Issue Identification. EPA will actively participate in the WRAP process, and provide adequate resources and staffing to raise concerns as issues are discussed and debated. An important objective of EPA's participation will be to identify and clearly communicate issues early and, conversely, to avoid the delay and disruption that occur when issues are identified late in the process or are identified for the first time during EPA's review of the resulting plan revisions.
- -- Adequate Support in Resolving Technical Issues. EPA will provide adequate expertise and financial and technical resources through the WRAP process to help resolve technical issues that arise in the development of WRAP work products, and discussions and deliberations on those work products
- Incentives for Participation. EPA will work with the WRAP and its stakeholders to develop policies that create incentives for active, broad, and balanced participation in the WRAP process. This would include, for example, explaining the benefits of state and tribal implementation of the Commission's agreements and recommendations so that they are clearly understood, as provided for in part I.D. above, and could include procedures for timely EPA review of model implementation plans and rules developed by the WRAP to promote streamlined implementation plan review.
- -- Timely Implementation Plan Review. EPA will agree to make every reasonable effort to review implementation plans in accordance with the time frames specified in section 110(k) of the Clean Air Act.
- Identification of Inconsistencies and Consultation. During EPA's review of an implementation plan revision that may be inconsistent with implementation of the Commission's agreements and recommendations or other formal recommendations of the WRAP, EPA will identify the potential inconsistencies for the WRAP and the public, and provide an opportunity for the WRAP and the public to comment on the potential inconsistencies before EPA takes final rulemaking action on the plan revision.
- -- EPA's Independent Oversight and Review Role. EPA has a responsibility to independently review the adequacy of implementation plans in public rulemaking processes, and to consider all public comments received on a plan in determining if

it meets applicable requirements.